

Transfer of Resources

Frequently Asked Questions

Effective September 1, 2003, transfer of resource policy will apply when an individual adds another person's name on an asset which restricts or reduces her or her access or interest in the asset. For example, an individual who adds another person's name to the deed of the home, is considered to have restricted/reduced his interest in the home. An individual who places another person's name on a bank account is considered to have restricted/reduced his interest in the account if it now takes two signatures to withdraw funds or at the time the other person withdraws funds.

1. How will adding someone's name to a deed prior to September 1, 2003 affect the three (3) year look back?

All applications for Medicaid will continue to be subject to the look back period. A person's eligibility will be based on the regulations in place at the time they apply. If they have transferred property for less than fair market value a penalty period will be imposed.

2. Will individuals who are currently active be impacted by adding another person's name to a deed?

No penalty period will be imposed if the name was added prior to September 1, 2003. A penalty period will be imposed for any transfers after that date.

3. Are there person's whose name can be added without penalty?

Yes. These are the same individuals to whom homestead property can be transferred. They are:

- 1. The spouse;*
- 2. A child who is under age twenty-one (21) or a child who is blind or disabled;*
- 3. A sibling who has equity interest in the home and who lived with the institutionalized individual one (1) year prior to institutionalization; and*
- 4. A child who resided with the institutionalized individual two (2) years prior to institutionalization and provided care to the individual to prevent institutionalization.*